

# Claims

[c1] I claim:

1. An internet-based referral system for advertising comprising: having a user connect to a website; having said user select a webpage or electronic file transfer; allowing virtual advertising to be delivered to said user from an Advertiser or his agent, having said affiliate receiving said virtual advertising from an advertiser, having said advertising containing a code to identify the source of said advertising and having an advertiser track said advertising through said code.

[c2] 2. A system according to claim 1 which includes having said code being a unique identifier code.

[c3] 3. A system according to claim 1 which includes having said advertising being tangible print media.

[c4] 4. A system according to claim 2 which includes having said advertising dynamically merged with a code that will identify the advertiser, the affiliate, the item or items for sale, or any combination of these.

[c5] 5. A system according to claim 1 which includes having said advertisement placed in the tangible world by affli-

ates.

- [c6] 6. A system according to claim 5 which includes having said affiliates receive compensation based on said advertisement.
- [c7] 7. A system according to claim 5 which includes having said affiliates select from a plurality of products and services to place an advertisement for.
- [c8] 8. A system according to claim 1 which includes having a plurality of affiliate tiers.
- [c9] 9. A system according to claim 8 which includes having said databases contain information about said affiliate and said advertiser.
- [c10] 10. A system according to claim 1 which includes having said user connects to the system through the use of a computer through the Internet.
- [c11] 11. A system according to claim 8 which includes having Tier-1 affiliate and Tier-2 affiliate where Tier-1 affiliates will get a portion of the commissions that are paid to the Tier-2 affiliate the result of sales and leads generated from Tier-2 affiliate's distribution said code.
- [c12] 12. A system according to claim 1 which includes having said advertisement modified automatically by using a

computer language on demand, before said tangible print advertisement is printed by the user's computer.

[c13] 13. A system according to claim 1 which includes having said advertisement including a hyper textual referral link.

[c14] 14. A system according to claim 13 which includes having said hyper textual referral link or having an Internet "cookie" which transmits a unique code which identifies the affiliate and or Advertiser.

[c15] 15. A system according to claim 1 which includes having said affiliate receiving compensation for products purchased as a result of the referral.

[c16] 16. A system according to claim 1 which includes having said system having a clearinghouse function for maintaining said affiliate and advertiser's accounts.

[c17] 17. An internet-based referral system for advertising comprising: having a user connect to a website; having said user select a URL or webpage; allowing virtual advertising to be delivered to said user from an affiliate, having said affiliate receiving said virtual advertising from an advertiser, having said advertising containing a code to identify the source of said advertising; having an advertiser track said advertising through said code, having said code being a unique identifier code, said adver-

tising dynamically merged with a code that will identify who placed the advertisement; having said advertisement placed by affiliates and having said affiliates receive compensation based on said advertisement.

[c18] 18. A system according to claim 17 which includes having said affiliates select from a plurality of products and services to place an advertisement for.

[c19] 19. A system according to claim 17 which includes having said system having a clearinghouse function for maintaining said affiliate and advertiser's accounts.

[c20] 20. A system according to claim 17 which includes having Tier-1 affiliate and Tier-2 affiliate where Tier-1 affiliates will get a portion of the commissions that are paid to the Tier-2 affiliate the result of sales and leads generated from Tier-2 affiliate's distribution of said code.